

AGENDA



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	11167	Agenda Number	31.
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Meeting Date:	December 15, 2011
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Department:	Purchasing
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Subject

Authorize award and execution of a 12-month requirements supply contract with QUALITROL COMPANY, LLC, Fairport, NY for the purchase of transformer gauges for Austin Energy in an estimated amount not to exceed \$50,000, with four 12-month extension options in an estimated amount not to exceed \$50,000 per extension option, for a total estimated contract amount not to exceed \$250,000. Qualitrol Company, LLC, is the sole source provided of these products.

Amount and Source of Funding

Funding in the amount of \$37,500 is available in the Fiscal Year 2011-2012 Operating Budget of Austin Energy. Funding for the remaining three months of the original contract period and extension options is contingent upon available funding in future budgets.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	Sole Source.
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Prior Council Action:	
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For More Information:	Gage Loots, Buyer II /512-322-6118
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Boards and Commission Action:	Recommended by the Electric Utility Commission.
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MBE / WBE:	This contract will be awarded in compliance with Chapter 2-9D of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.
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Related Items:	
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Additional Backup Information

This contract is for various types of transformer gauges manufactured by Qualitrol to be purchased by Austin Energy (AE) on an as-needed basis. AE has over 300 power transformers installed throughout its service area, all of which are supplied with multiple gauges including those that measure winding temperature, liquid temperature and liquid level. These gauges supply information that indicates the relative health of the transformer, allowing AE to assess any maintenance required in order to keep the unit operating efficiently. All power transformers supplied to AE from manufacturers including Hyundai Heavy Industries, VA TECH Ferranti-Packard Transformers Ltd., and Waukesha Electric Systems, Inc., are equipped with gauges designed and manufactured by Qualitrol Company, LLC.

The gauges included in this contract will be used to replace existing gauges that have reached the end of their expected lifespan of 15-18 years or that have been damaged by weather or vermin. Only direct replacement of these gauges allows AE to replace damaged gauges with very little intrusion. Changing to a new style of gauge would require de-energizing the unit, removing the oil, replacing the gauge mounting, connectors and cables, which would require additional labor and material costs. Most importantly, direct replacement is much safer as it does not require that the load be switched to another transformer, greatly reducing the risk of an outage. AE will also use this contract to retrofit existing gauge installations in an estimated 150 transformers with a more robust version of the seal-in relay card that utilizes an isolated power supply with increased surge protection. These retrofits will take place over the next several years.

Qualitrol is the only company that manufactures this type of seal-in relay card as well as the direct replacements of existing gauges and is a factory-direct sales organization that has no authorized distributors. Therefore, Qualitrol Company, LLC is the sole source provider of these products.